FORM 39, PART I

Complete Part I of Form 39 if you are filing a Form 40. If you are filing a Form 43, complete Part II.

PART I, SECTION A. ALTERNATIVE ENERGY DEVICE DEDUCTION

If you install an alternative energy device in your Idaho residence, you may deduct a portion of the amount actually paid or accrued (billed but not paid).

Qualifying devices include:
- a system using solar radiation, wind or geothermal resource primarily to provide heating or cooling, or produce electrical power, or any combination
- a fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- a natural gas or propane heating unit that replaces a noncertified wood stove
- an Environmental Protection Agency (EPA) certified wood stove or pellet stove meeting the most current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that does not meet the most current EPA standards. The noncertified wood stove must be taken to a site authorized by the Division of Environmental Quality (DEQ) where it will be destroyed.

The natural gas or propane heating unit, the EPA certified wood stove, or pellet stove must be installed the same tax year that the nonqualifying wood stove is turned in to the DEQ.

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install or acquire the device, but not more than $5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than $5,000 in any year.

Lines 1 - 4 Complete the line(s) that apply to the year you acquired the device(s). For example, if your device was acquired in 1995, complete line 3. Enter the type of device and total cost. Multiply the total cost by the appropriate percentage.

Line 5 Total your deduction on line 5 and carry the total to line 19, Form 40.

PART I, SECTION B. RETIREMENT BENEFITS DEDUCTION

If you are age 65 or older, or if you are disabled and age 62 or older, you may be able to deduct some of the retirement benefits and annuities you receive. You must be a full-year Idaho resident to take this deduction. You cannot claim this deduction if you file married filing separate. The following annuities and benefits may be deducted:

- Civil Service Employees: Retirement annuities paid by the United States to a retired civil service employee or the unremarried widow of the employee if the recipient is age 65 or older, or disabled and age 62 or older.
- Idaho Firemen: Retirement benefits paid from the firemen's retirement fund of the state of Idaho to a retired fireman or the unremarried widow of a retired fireman if the recipient is age 65 or older, or disabled and age 62 or older.
- Policemen of an Idaho city: Retirement benefits paid from the policemen's retirement fund of a city within Idaho to a retired policeman or the unremarried widow of a retired policeman if the recipient is age 65 or older, or disabled and age 62 or older.
- Servicemen: Retirement benefits paid by the United States to a retired member of the U.S. military service or the unremarried widow of such member if the recipient is age 65 or older, or disabled and age 62 or older.

The amount deducted must be reduced by retirement benefits paid under the Federal Social Security Act and the Federal Railroad Retirement Act.

The maximum amounts which may be deducted for 1997 are:

Married filing jointly:
- age 65 or older $23,868
- age 62 or older and disabled $23,868

Single:
- age 65 or older $15,912
- age 62 or older and disabled $15,912

Line 1 Enter $23,868 or $15,912, whichever is applicable to your filing status. Note: Only one deduction is allowed even though you and your spouse may receive more than one annuity.

Line 2 Enter the amount of retirement benefits you (and your spouse) received under the Federal Railroad Retirement Act, Box 5 of your Forms RRB-1099.

Line 3 Enter the amount of retirement benefits you (and your spouse) received under the Federal Social Security Act, Box 5 of your Forms SSA-1099.

Line 4 Subtract lines 2 and 3 from line 1.

Line 5 The amount deducted must have been included in income. Enter the amount of eligible retirement annuities included on line 9 of Form 40.

Line 6 Enter the smaller of line 4 or 5 here and on line 21, Form 40.

PART I, SECTION C. OTHER SUBTRACTIONS

Line 1 Federal income tax credits for alcohol or gasohol
Any amount included in federal gross income because a federal income tax credit for the sale and use of alcohol and alcohol blended fuels was claimed may be deducted on the Idaho return. Refer to federal Form 6478, Credit for Alcohol Used as Fuel.

Line 2 Contributions to an Idaho Medical Assistance Account
You may deduct payments to the state of Idaho and credited to the medical assistance account. This account is primarily designed to receive money from families of patients receiving medical assistance under Medicaid. These payments may be deducted on this line only if they are not deducted on Schedule A, Itemized Deductions.

Line 3 Expenditures for personal care services
You may deduct the smaller of the actual amount paid or $1,000 for each family member for whom you pay for personal care services if all of the following qualifications are met:

a. The expenditures you claim are actual expenses you paid on behalf of the family member.
b. The expenditures cannot be deducted elsewhere on your income tax return.
c. The expenditures cannot be reimbursed by Medicare, Medicaid or private insurance.
d. The expenditures must be for services provided to an immediate family member or your spouse. An immediate family member is any person who meets the member of household or relationship test for being claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.
e. The services must be provided in either your home or the cared-for person's home. The home may not be a hospital, nursing home or similar health facility.
f. The services must be prescribed by a physician.
g. The services must be supervised by a registered nurse.
h. The expenditures must be paid to a person who is a qualified

provider of personal care services as determined by the Director of the Department of Health and Welfare in accordance with the Idaho Code, Section 39-5606. The provider may not be an immediate family member as defined in d., unless the Director determines that a member of the family is the best qualified person to provide services, or the financial circumstances of the recipient's family are such that it is more advantageous to the State and to the recipient's family.

If a qualified provider is an immediate family member, any amount claimed for personal care services may not be deducted unless the provider has reported the amounts on his or her Idaho income tax return, unless this amount together with all other income received by the provider is insufficient to meet the requirements for filing an Idaho income tax return.

Line 4 Maintaining a home for aged and/or developmentally disabled
You may deduct $1,000 for each family member, not including yourself or your spouse, who is age 65 or older and for whom you maintain a household and provide more than one-half of his support for the year.

You may deduct $1,000 for each family member, including yourself and your spouse, who is developmentally disabled and for whom you maintain a household and provide more than one-half of his support for the year.

No more than three deductions of $1,000 are allowed. If you claim this deduction, you cannot claim the $100 credit in Part I, Section E.

Developmental disability means a chronic disability which:
1. Is attributable to an impairment such as:
   - Mental retardation
   - Cerebral palsy
   - Epilepsy
   - Autism
   - Other condition found to be closely related to, or similar to, one of these impairments; and
2. Results in substantial functional limitation in three or more of the following areas of life activity:
   - Self-care
   - Receptive and expressive language
   - Learning
   - Mobility
   - Self-direction
   - Capacity for independent living
   - Economic self-sufficiency; and
3. Reflects the need for a combination and sequence of special, interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and individually planned and coordinated.

If the home was maintained for the family member for less than a full year, the deduction is allowed at the rate of $83.33 for each month the home was maintained.

A family member is any person who meets the member of household or relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.

Maintaining a household means paying more than one-half the expenses incurred for the benefit of all the household's occupants. Social Security benefits are not support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include: property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises.

Line 5 Idaho lottery winnings
You may deduct the amount of any Idaho lottery prizes included in federal adjusted gross income on line 9, Form 40. You cannot deduct lottery prizes from other states.

Line 6 Income earned on a reservation by a Native American
Native Americans who are enrolled members of a federally recognized tribe and who live and work on a reservation may deduct all income received from employment on the reservation if the income is included on line 9, Form 40. Income earned off the reservation cannot be deducted, nor can income earned on the reservation if you live off the reservation.

Line 7 Idaho medical savings account interest
Enter the amount of interest earned on an Idaho medical savings account. This amount is shown on your Form MSA-1.

Line 8 Other subtractions
WORKER'S COMPENSATION INSURANCE: A self-employed individual may deduct the actual cost of amounts paid for worker's compensation insurance coverage in Idaho, if the cost is not deducted elsewhere.

OTHER SUBTRACTIONS: Identify any other subtraction to which you are entitled and claim the amount on this line. Do not include income earned in another state as a subtraction.

Line 9 Total other subtractions
Total your subtractions and enter the amount on line 27, Form 40.

PART I, SECTION D. INCOME TAXES PAID TO ANOTHER STATE

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for taxes paid to another state. Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39 to your income tax return. If your S corporation paid tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39 for each state.

Examples of income that may be taxed by both Idaho and another state include:
- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

Line 1 Enter the tax shown on line 39, Form 40.

Line 2 Enter the amount of Idaho adjusted income derived in the other state. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that are not applicable to Idaho. If you reported your income derived in the other state by filing an:
- individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho does not tax this interest.
- S corporation composite or group return, enter your pro rata share of the S corporation income derived in the other state. The corporation's income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation deducted state income taxes in computing its income, add this amount to the S corporation income and recompute your pro rata share as Idaho does not allow this deduction in computing Idaho adjusted income.

Line 3 Enter your Idaho adjusted income from line 29, Form 40.

Line 4 Divide line 2 by line 3. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%.

Line 6 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation, enter your pro rata share of the tax paid by the S corporation less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that is not an income tax credit is a special fuels or gasoline tax credit or refund.

Line 7 Your allowable credit for taxes paid to another state is the smaller of line 5 or line 6. Enter this amount on line 40 of Form 40.

PART I, SECTION E. MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

If you did not claim the $1,000 deduction on line 4 of Section C above, you may claim a $100 credit for maintaining a home for an immediate family member age 65 or over or a family member with a developmental disability. Refer to the instructions for Section C, line 4. If the home was maintained for the family member less than a full year, the credit is allowed at the rate of $8.33 for each month the home was maintained.

You may claim this credit if your gross income is less than the filing requirement. File Form 40 and attach Form 39 to your return.

Only full-year residents, including Idaho residents on active military duty outside Idaho, may claim this credit.

Lines 1 and 2 Answer the two questions. If you answer yes to either question, you qualify.

Line 3 Enter the name, social security number, relationship, and date of birth of your family member(s) for whom you maintain a home and provide more than one-half of their support. If the claim is for a family member with a developmental disability, check the box.

Line 4 Carry the total to line 63, Form 40. Idaho residents on active military duty in another state enter the amount on line 75, Form 43.

FORM 39, PART II

Complete Part II of Form 39 if you are filing Form 43. If you are filing Form 40, complete Part I of Form 39.

PART II, SECTION A. OTHER SUBTRACTIONS

Line 1 Idaho resident - Military pay earned outside of Idaho
Column A: Do not enter anything in this column.

Column B: If you are an Idaho resident on active military duty outside of Idaho, your active duty military wages are not subject to Idaho tax. Enter the amount of such wages in Column B if included on line 9, Form 43.

National Guard or Reserve pay, including annual training pay, generally does not qualify. However, if you were on active duty for a continuous 120 days or more, you may deduct the military pay earned outside of Idaho. The continuous 120 days do not have to be in the same tax year. Your wage and tax statement (W-2) does not show this amount separately and you may have to compute the amount of income earned outside of Idaho. You should see your unit of assignment or use your orders in making this computation. Attach a copy of your worksheet and military orders.

Line 2 Federal income tax credits for alcohol or gasohol
Column A: Enter the amount included in federal gross income because a federal income tax credit for the sale and use of alcohol and alcohol blended fuels was claimed on the federal return. Refer to federal Form 6478, Credit for Alcohol Used as Fuel.

Column B: Enter the amount of this income that is included in Idaho income.

Line 3 Contributions to Idaho Medical Assistance Account
Columns A and B: You may deduct payments made to the state of Idaho and credited to the medical assistance account. This account is primarily designed to receive money from families of patients receiving medical assistance under Medicaid. These payments may be deducted on this line only if they are not deducted on Schedule A, Itemized Deductions. The amounts entered in Columns A and B must be the same.

Line 4 Expenditures for personal care services
Columns A and B: You may deduct the smaller of the actual amount paid or $1,000 for each family member for whom you pay for personal care services if all of the following qualifications are met:

a. The expenditures you claim are actual expenses you paid on behalf of the family member.
b. The expenditures cannot be deducted elsewhere on your income tax return.
c. The expenditures cannot be reimbursed by Medicare, Medicaid, or private insurance.
d. The expenditures must be for services provided to an immediate family member or your spouse. An immediate family member is any person who meets the member of household or relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.
e. The services must be provided in either your home or the cared-for person's home. The home may not be a hospital, nursing home or similar health facility.
f. The services must be prescribed by a physician.
g. The services must be supervised by a registered nurse.
h. The expenditures must be paid to a person who is a qualified provider of personal care services as determined by the Director of the Department of Health and Welfare in accordance with the Idaho Code, Section 39-5606. The provider may not be an immediate family member as defined in d. above, unless the Director determines that a member of the family is the best qualified person to provide services, or the financial circumstances of the recipient's family are such that it is more advantageous to the State and to the recipient's family.

If a qualified provider is an immediate family member, any amount claimed for personal care services may not be deducted unless the provider has reported the amounts on his or her Idaho income tax return, unless this amount together with all other income received by the provider is insufficient to meet the requirements for filing an Idaho income tax return.

The amounts entered in Columns A and B must be the same.

Line 5 Maintaining a home for aged and/or developmentally disabled
Columns A and B: You may deduct $1,000 for each family member, not including yourself or your spouse, who is age 65 or older and for whom you maintain a household and provide more than one-half of his support for the year.

You may deduct $1,000 for each family member, including yourself and your spouse, who is developmentally disabled and for whom you maintain a household and provide more than one-half of his support for the year.

No more than three deductions of $1,000 are allowed.

Developmental disability means a chronic disability which:

1. Is attributable to an impairment such as:
   - Mental retardation
   - Cerebral palsy
   - Epilepsy
   - Autism
   - Other condition found to be closely related to, or similar to, one of these impairments; and
2. Results in substantial functional limitation in three or more of the following areas of life activity:
   - Self-care
   - Receptive and expressive language
   - Learning
   - Mobility
   - Self-direction
   - Capacity for independent living
   - Economic self-sufficiency; and
3. Reflects the need for a combination and sequence of special, interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and individually planned and coordinated.

If the home was maintained for the family member for less than a full year, the deduction is allowed at the rate of $83.33 for each month the home was maintained.

A family member is any person who meets the member of household or relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.

Maintaining a household means paying more than one-half the expenses incurred for the benefit of all the household's occupants. Social Security benefits are not support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include: property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises.

The amounts entered in Columns A and B must be the same.

Line 6 Idaho lottery winnings
Columns A and B: Enter the amount of Idaho lottery prizes included in other income on line 21, Form 43. The amounts entered in Columns A and B must be the same.

Line 7 Income earned on a reservation by a Native American
Column A: Do not enter anything in Column A.

Column B: Native Americans who are enrolled members of a federally recognized tribe and who live and work on a reservation may deduct all income received from employment on the reservation if the income is included on the front of Form 43. Income earned off the reservation cannot be deducted, nor can income earned on the reservation if you live off the reservation.

Line 8 Worker's compensation insurance
Columns A and B: A self-employed individual may deduct the actual cost of amounts paid for worker's compensation insurance coverage in Idaho, if the cost is not deducted elsewhere.

Do not enter amounts paid for coverage in other states. The amounts entered in Columns A and B must be the same.

Line 9 Partners and shareholders
Column A: Partners and shareholders may deduct their proportional share of the Idaho subtractions from partnership and S corporation income. This information is available from the preparer of the partnership or S corporation return. For example: Interest income from federal obligations is not taxable for Idaho purposes but is included on the federal Schedule K-1. The partner/shareholder may deduct that interest income here.

Column B: Enter your Idaho apportioned share of the Idaho subtractions from partnership and S corporation income.

Line 10 Insulation of an Idaho residence
Columns A and B: You may be able to deduct the amount you paid to install additional insulation in your Idaho residence. To qualify for this deduction, your Idaho home must have existed, been under construction, or had a building permit issued on or before January 1, 1976. The insulation must be in addition to any existing insulation and may not be a replacement.

Insulation means any material commonly used in the building industry and installed to retard the passage of heat into or out of a building, such as fiberglass, rock wool, weather stripping, double-pane windows, storm doors and storm windows.

Insulated siding does not qualify unless the cost of the siding and the insulating material is separately identified, in which case the cost of the insulating material alone qualifies.

The amount charged for labor to install the insulation is also deductible.

Line 11 Technological equipment donation
Columns A and B: Enter the fair market value of technological equipment donated to a public elementary or secondary school, public or private college or university, public library, or library district located in Idaho. Items that qualify for this deduction are limited to computers, computer software, and scientific equipment or apparatus manufactured within five years of the date of donation. The amount deducted may not reduce Idaho taxable income to less than zero. Any unused deduction cannot be carried to another year.

Line 12 Idaho medical savings account interest
Columns A and B: Enter the amount of interest earned on an Idaho medical savings account. This amount is shown on your Form MSA-1.

Line 13 Alternative energy device deduction
Columns A and B: If you install an alternative energy device in your Idaho residence, you may deduct a portion of the amount actually paid or accrued (billed but not paid).

Qualifying devices include:

- a system using solar radiation, wind or geothermal resource primarily to provide heating or cooling, to produce electrical power, or any combination
- a fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- a natural gas or propane heating unit that replaces a noncertified wood stove
- an Environmental Protection Agency (EPA) certified wood stove or pellet stove meeting the most current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that does not meet the most current EPA standards. The noncertified wood stove must be taken to a site authorized by the Division of Environmental Quality (DEQ) where it will be destroyed.

The natural gas or propane heating unit and the EPA certified wood stove or pellet stove must be installed in the same tax year that the nonqualifying wood stove is turned in to the DEQ.

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install or acquire the device, but not more than $5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than $5,000 in any year.

Lines 13a - 13d Complete the line(s) that apply to the year you acquired the device(s). For example, if your device was acquired in 1995, complete line 13c. Enter the type of device and total cost. Multiply the total cost by the appropriate percentage.

Line 14 Other subtractions
Columns A and B: Identify any other subtraction to which you are entitled and claim the amount on this line.

Line 15 Total other subtractions
Total Columns A and B and enter the amounts on Form 43, line 42.

PART II, SECTION B. INCOME TAXES PAID TO ANOTHER STATE BY PART-YEAR RESIDENTS

NONRESIDENTS DO NOT QUALIFY FOR THIS CREDIT.

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for taxes paid to the other state. Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39 to your income tax return. If your S corporation paid tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39 for each state.

Examples of income that may be taxed by both Idaho and another state include:
- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

Line 1 Enter your Idaho adjusted income from line 44, Column B, Form 43.

Line 2 Enter the amount of Idaho adjusted income derived in the other state. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that are not applicable to Idaho. If you reported your income derived in the other state by filing an:
- individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho does not tax this interest.
- S corporation composite or group return, enter your pro rata share of the S corporation income derived in the other state. The corporation's income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation deducted state income taxes in computing its income, add this amount to the S corporation income and recompute your pro rata share as Idaho does not allow this deduction in computing Idaho adjusted income.

Line 3 Enter the amount from the above lines that will be taxed by both states.

Line 4 Enter the tax shown on line 55, Form 43.

Line 5 Divide line 3 by line 1. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%.

Line 7 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation, enter your pro rata share of the tax paid by the S corporation less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that is not an income tax credit is a special fuels or gasoline tax credit or refund.

Line 8 Divide line 3 by line 2. Enter the percentage rounded to the nearest whole number.

Line 10 Your allowable credit for income taxes paid to another state is the smaller of line 6 or line 9. Enter this amount on line 56, Form 43.

PART II, SECTION C. INCOME TAXES PAID TO ANOTHER STATE BY IDAHO RESIDENTS ON ACTIVE MILITARY DUTY

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for taxes paid to the other state. Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39 to your income tax return. If your S corporation paid tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39 for each state.

Examples of income that may be taxed by both Idaho and another state include:
- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

Line 1 Enter the tax shown on line 55, Form 43.

Line 2 Enter the amount of Idaho adjusted income derived in the other state. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that are not applicable to Idaho. If you reported your income derived in the other state by filing an:
- individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho does not tax this interest.
- S corporation composite or group return, enter your pro rata share of the S corporation income derived in the other state. The corporation's income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation deducted state income taxes in computing its income, add this amount to the S corporation income and recompute your pro rata share as Idaho does not allow this deduction in computing Idaho adjusted income.

Line 3 Enter your Idaho adjusted income from line 44, Column B, Form 43.

Line 4 Divide line 2 by line 3. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%.

Line 6 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation, enter your pro rata share of the tax paid by the S corporation less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that is not an income tax credit is a special fuels or gasoline tax credit

Line 7 Your allowable credit for income taxes paid to another state is the smaller of line 5 or line 6. Enter this amount on line 56, Form 43.

MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

If you are an Idaho resident on active military duty outside Idaho, you may qualify for this credit. Complete Section E of Part I, Form 39.